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**SEP 13 2017**

**MEMORANDUM FOR COMMANDER, DLA TROOP SUPPORT (DLA-TS)**

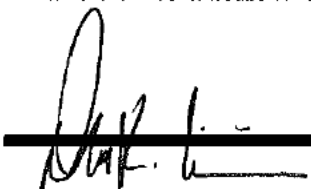
**SUBJECT:** Compelling Reasons Determination, Subsistence Prime Vendor Contract United Arab Emirates (UAE), Oman, Djibouti, and Kenya, Contract SPE300-17-D-4027

Nova Global Supply and Services, LLC (Nova) is the current subsistence prime vendor providing full line foodservice storage and distribution for authorized DLA customers in the UAE, Oman, Djibouti, and Kenya under Contract SPM300-12-D-3595. DLA Troop Support is currently pursuing a bridge contract action with Nova to continue to provide subsistence prime vendor coverage in those regions until such time as a competitive follow on contract can be awarded and implemented. Nova has stated that, in order to perform on the proposed bridge contract, it will be necessary for it to subcontract certain back office services, including information technology, human resources, and accounting services, to Supreme Group entities. In addition, Nova will continue using a Supreme Group warehouse. DLA proposed Supreme and various Supreme Group entities for debarment following a December 8, 2014, conviction of Major Fraud Against the United States, Conspiracy to Commit Major Fraud Against the United States, and Fraud by Wire.

The DLA Troop Support Contracting Officer has requested that Nova, in performing the bridge contract, be permitted to subcontract these limited services to Supreme Group in order to allow Nova to continue to provide critical foodservice support in the UAE, Oman, Djibouti, and Kenya regions. This request is based on the lack of an alternative way to meet customer requirements in the short term. The request details why Nova is the only contractor able to satisfy customer requirements in the short term, and why Nova requires the services of Supreme Group to ensure uninterrupted support to DLA customers under the contract. The request also states that mitigating factors exist to ensure the Government's interest is protected even though Nova will be subcontracting to an entity proposed for debarment. Nova has expressed a commitment to continue to migrate services away from Supreme Group entities, and DLA Troop Support will only rely on the Nova bridge contract until such time as a competitive follow-on acquisition can be awarded and fully implemented in the region. The proposed period of performance for the bridge contract is September 18, 2017, to September 17, 2018. This period of performance will allow the completion of negotiations and proposal evaluations now taking place, which will result in the competitive award of a follow-on contract, currently expected to occur in March 2018. It will also allow, to the extent necessary, ramp-up to full performance by the follow-on contractor, which could take approximately 180 days after contract award. DLA Troop Support intends to cease placing orders on the bridge contract as soon as the minimum ordering quantity is satisfied, the follow-on contract is awarded, and the follow-on contractor has achieved full performance capability.

For the reasons specified by the Contracting Officer and summarized above, I hereby determine, in accordance with Federal Acquisition Regulation 9.405(a) and 9.405-2(a), that there are compelling reasons for DLA Troop Support to permit Nova to subcontract limited services to

Supreme Group entities for performance under the subsistence prime vendor bridge contract supporting the UAE, Oman, Djibouti, and Kenya. This authorization remains in effect only until the earlier of the end of the bridge contract, September 17, 2018, or when any guaranteed minimum ordering obligation is satisfied and transition to a follow-on contractor is complete.

  
A handwritten signature in black ink, appearing to read "Darrell K. Williams", is written over a solid black horizontal line.

DARRELL K. WILLIAMS  
LTG, U.S. Army  
Director